# GOVERNMENT OF INDIA
# PETROLEUM AND NATURAL GAS
# LOK SABHA

UNSTARRED QUESTION NO:3675
ANSWERED ON:16.08.2001
FALL IN CRUDE OIL PRODUCTION
RAMSHETH THAKUR

**Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:**

(a) whether crude oil production falls from 7.5% to 2.481 MT in June, 2001,as compared to a production of 2.682 million tonne in the corresponding month of the previous year;

(b) if so, the reasons therefor;

(c) the capacity utilization of oil and natural gas corporation during the month of review;

(d) the extent to which it is short against the corresponding month of the previous year; and

(e) the steps taken by the Government to boost the production of crude oil?

## Answer

Minister of State in the Ministry of Petroleum & Natural Gas (Shri Santosh Kumar Gangwar)

(a) to (e): A Statement is attached.

Statement referred to in reply to parts (a) to(e) of Lok Sabha Unstarred Question 3675 for answer on 16.8.2001 regarding fall in crude oil production.

(a) & (b) : Yes, Sir. The major reasons for the shortfall in respect of production of Oil and Natural Gas Corporation Ltd.(ONGC) in June 2001 vis-Ã -vis the monthly target are:

(i) Revamping of BHN and tanker mooring/demooring at BHN-SBM.

(ii) Closure of 7 wells of Gandhar for reservoir health.

(iii) Increase in water cut in KSP(E&W) and Gopawaram field.

As regards Oil India Ltd.(OIL) the marginal shortfall has been due to the complicated work-over and prolonged work-over testing in few wells.

(c) : The concepts of installed capacity and capacity utilization do not hold good for oil fields.

(d): Does not arise.

(e): Several important steps have been taken to increase crude oil production in the country, which include :

(i) To improve the recovery factor from existing major fields by implementing Enhanced Oil Recovery (EOR)/Improved Oil Recovery (IOR) schemes; in particular Oil and Natural Gas Corporation Limited (ONGC) has taken up 15 fields for this purpose at an estimated investment of Rs. 10,000 crore, which would also help in accelerating oil production from these fields.

(ii) To increase exploration efforts through the New Exploration Licensing Policy (NELP).Under the first round of NELP, Production

Sharing Contracts (PSCs) have been signed for 24 blocks in which works are in progress.Additionally, under the second round of NELP, PSCs have been signed on17.7.2001 for 23 blocks.

(iii) To attract technology and investment; PSCs for 9 discovered fields, 8 in Gujarat and 1 in Assam, were signed on 23.2.2001 with consortia of Indian and foreign companies.

(iv) To explore in new areas, especially in deep water and difficult frontier areas, as also explore in the deeper layers of the producing fields.

(v) To develop faster the newly discovered fields and to step up the use of new technologies for seismic surveys, work over, stimulation operations, drilling of wells etc. in producing areas.